



Memorandum

TO: RULES COMMITTEE

**SUBJECT: GETTING FAMILIES BACK TO
WORK—RESPONSE TO
MAYOR'S MEMO AND
COUNCILMEMBERS' MEMOS**

FROM: Del D. Borgsdorf

DATE: September 24, 2003

RECOMMENDATION

Accept this report for purposes of discussion and forward this information for consideration at the September 30, 2003 City Council meeting.

BACKGROUND

On September 16, 2003, the City Council considered several directives to the Administration with respect to Getting Families Back To Work. As part of that discussion, Councilmembers Cortese, Chavez, Yeager and Williams put forward a memo recommending partial approval of actions outlined in the Mayor's memo dated September 11, 2003 and directed staff to study the remaining items as recommended by the Mayor using the criteria outlined in his memo, plus the addition of "Public Process." In addition to that directive, additional comments/questions/ inquiries or recommendations from either the City Council and/or City staff were directed to be submitted to the Rules Committee by September 17, 2003.

ANALYSIS

The attached matrix provides comment on the remaining items in the Mayor's memo that were forwarded to the September 30, 2003 City Council meeting for further consideration. In addition, the matrix includes responses to the comments, inquiries, and questions submitted by Councilmembers.

COORDINATION

This report has been coordinated with the City Attorney's Office, Redevelopment Agency, and City Departments.


Del D. Borgsdorf
City Manager

Attachments (2)

1. Attachment A: Analysis of Recommendations & Questions
2. Attachment B: Regulations and Ordinances

GETTING FAMILIES BACK TO WORK
ANALYSIS OF RECOMMENDATIONS & QUESTIONS

Source/Issue	CRITERIA				
	Impact	Practicality	Cost	Urgency	Public Process
Mayor Gonzales					
Mayor's Recommendation Memo, I-1 Immediately implement a moratorium on all new business regulations.	Allows City to do no harm and get out of the way. Avoids adding costs and causing delay to business.	No issues.	No direct cost to City.	Can be implemented immediately.	No direct impact on public comment and input. Curtails public's ability to propose new regulations for 18 months.
Mayor's Recommendation Memo, I-2 Realign all job-training programs to focus on growth industries and opportunities, such as Silicon Valley Workforce Investment Network.	Increases opportunities for residents to receive training for jobs in industries that are generating more jobs.	SVWIN is governed by a Board appointed according to federal guidelines. The Board would need to approve the realignment, but has already expressed a desire to move in this direction.	Can be accomplished within existing funding and staff resources.	If SVWIN Board approves, there may be a need to readjust existing contractors with training providers or develop new ones with more appropriate providers.	No impact.

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Source/Issue	CRITERIA				
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Mayor's Recommendation Memo, I-3 Simplify approval of any permits or zoning applications that conform to the City's General Plan.	Zoning land to a conventional zoning district at the GP amendment stage would substantially reduce the process for zoning land compared to a PD Zoning by eliminating review of design at two steps. The zoning decision would identify the specific density range and heights for the property, eliminating delays on what are appropriate zoning standards. Project specific issues would be reviewed at the permit stage. Projects that comply with select criteria such as design standards, park dedication, etc could be placed on an expedited schedule.	Combining the General Plan and zoning decisions would consolidate the legislative and policy decisions together for the community, improving their involvement, and providing clarity of expected outcomes of GP decisions.	Can be accomplished within existing funding and staff resources.	Can be implemented with changes to the conventional zoning districts to eliminate conflicts with the General Plan such as density ranges.	Early involvement of the community at each stage would allow greater participation of the community, regardless of number of hearings. A process that links consistency to pre-selected criteria would allow greater comfort of projects by the community. Those that required exceptions to the criteria would trigger a more substantial public outreach effort at the permit stage.

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Mayor's Recommendation Memo, I-4 Refund fees when deadlines are missed.	This change would provide more predictability on turnaround times, and could result in lower project costs. It should be noted that the City's current program offering faster turnaround times for additional fee payments could result in greater economic benefits by reducing holding costs.	This change is within the City's authority and Council consideration of the cost recovery guidelines would be needed.	Staff will be studying current cycle times to determine the reasons for delays. This analysis should help determine any potential vulnerability to the need to provide refunds. The City Manager's Office recommends Council approve refunds of the premium increment for the City's accelerated service program when performance targets are not met.	The analyses of cost recovery guidelines and the reasons for delays are projected to be done within eight weeks, as recommended in the Mayor's memorandum.	This proposal would have no impact on current processes. One of the primary goals for the development process, established in partnership with the Chamber of Commerce and other private sector interests, is to "facilitate development by improving processing times, consistency, and predictability."

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Mayor's Recommendation Memo, I-5 (A) Implement tax relief to encourage investment in San Jose/Extend tenant improvements fee exemption for another 18 months.	The Special Tenant Improvement Program has been successful in stimulating development since it was introduced 15 months ago. A total of 34 projects, totalling 1.3 million square feet with a construction value of \$30 million, have been processed through the program.	Council action would be necessary to extend the program. The Economic & Neighborhood Development CSA is in the process of producing a staff memorandum recommending the Program's extension.	This would increase the City's competitiveness to attract tenants and jobs as the economy turns around. This would produce long-term revenue benefits for the City from new jobs and capital investment. In the short term, it is estimated that Building & Structure Construction Tax revenues would be reduced by \$275,000. This reduction would be likely to affect the out-years of the CIP Budget for capital improvements on major arterials and collectors.	No barriers to Council extension of the program prior to the October expiration date.	Extension of the program was supported by business and development community testimony during the GFB2W study sessions. It is likely that there would be public interest in the budget implications of this action.

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Mayor's Recommendation Memo, I-5 (B) Implement tax relief to encourage investment in San Jose/Reduce Construction Excise Tax by 50% to "driving industries."	This proposal would be likely to encourage job growth by spurring investment by this key segment of our economy. Such a reduction would represent a tangible competitive difference for San Jose from other Bay Area communities.	No issues - this recommendation needs to be reviewed by the City Attorney.	This proposal would create a better competitive environment for start-up and early stage companies. Staff research indicates that once a company establishes roots in a community, it is more likely to stay for the long term (i.e., eBay, BEA, etc.). It is estimated that Construction Excise Tax revenues would be reduced by \$500,000. Although these taxes may be used for general purposes, the Council has typically used the majority of them for traffic improvements and programs.	Staff would need to analyze the project impacts of the revenue reductions and produce recommendations for Council review.	No impact.

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<p>Mayor's Recommendation Memo, I-5 (C)</p> <p>Implement tax relief to encourage investment in San Jose/Provide tax relief to small businesses.</p>	<p>The proposed reductions in fees could encourage small businesses to proceed with projects that could improve cash flow and visual appearance. This could also have the effect of spurring economic activity among contractors and vendors completing the projects undertaken by small businesses.</p>	<p>This change can be approved by City Council.</p>	<p>Small businesses using less than 3,000 square feet are predominantly located in neighborhood business districts, commercial shopping centers, and malls. Fee reductions for these businesses would increase their competitiveness, and could produce additional revenue for the City. The estimated reduction in fee revenue that would result from this proposal is \$1,475,000.</p>	<p>Staff would need to analyze the project impacts of the revenue reductions and produce recommendations for Council review.</p>	<p>No impact.</p>
<p>Mayor's Recommendation Memo, I-6 (C)</p> <p>Improve the convenience and accessibility of doing business with the City/ Flexible/accessible hours at City Hall.</p>	<p>The key impact of this recommendation is that additional hours would make City services more accessible to customers.</p>	<p>There are no issues in terms of Council's authority to act. To the extent that employees' work schedules would have to be altered, the impact on employees would need to be discussed with the applicable bargaining units.</p>	<p>An evaluation of costs would depend on how additional hours were structured.</p>	<p>Support systems (such as computer file backup processes, custodial services, etc.) would need to be analyzed for possible effects.</p>	<p>No impact.</p>

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Mayor's Recommendation Memo, I-7 Review industrial Floor Area Ratio limits.	Would create development opportunities for additional employment-generating and some support uses, focused within 2,000 feet of light rail stations.	No issues - this is entirely within the City's authority. This would, however, require modification of the North San Jose Area Development Policy and completion of an Environmental Impact Report (EIR).	An Environmental Impact Report (EIR) and traffic studies would be necessary, at an estimated cost of \$400,000, which could be recovered by future development	There is an immediate need to begin this effort to position the City to be more competitive. Staff estimates that the effort could be completed within 8 to 9 months.	Broad community involvement would be integral to this process, including businesses, property owners, and others. The proposal does not affect current public processes.
Mayor's Recommendation Memo, I-11 Overhaul the City employee suggestion award program.	Staff input on improving efficiencies could result in improved performance and positioning the City for improved service.	This proposal is within the City's authority and could be readily accomplished.	The program could be overhauled with minimal costs and absorbed within current staffing levels.	Coordination would need to be done with the appropriate stakeholders, including the employee bargaining units through the Office of Employee Relations.	This is an administrative program.
Mayor's Recommendation Memo, II-1 Reduce and simplify regulations for business signs and base them solely on size criteria.	This recommendation would afford more certainty to sign applicants, and could have indirect job creation effects by improving their marketing efforts.	The City can accomplish this within its authority.	No direct costs to the City would result.	Upon Council direction, this can be done immediately.	Sign approvals do not require a public hearing. No change in public process would result.

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<p>Mayor's Recommendation Memo, II-2</p> <p>Simplify and clarify the historical review procedures for development to allow approval for applications that meet established guidelines.</p>	<p>Would focus the review of historic issues to those most critical. This could provide positive economic impacts by allowing development to proceed more quickly, with time savings of up to 2 to 4 months.</p>	<p>Allowing administrative approval rights for Historic Preservation Permits has been reviewed previously, and the City is able to accomplish this proposal within its authority.</p>	<p>No direct costs to the City would result.</p>	<p>Upon Council direction, this can be done immediately.</p>	<p>By focusing the Historic Landmarks Commission on critical issues, opportunities for public input on those issues will be improved. Regular reporting of Director's decisions would continue as is now done for other actions taken without HLC review.</p>
<p>Mayor's Recommendation Memo, II-3</p> <p>Strengthen our ability to keep and grow sports teams and events in San Jose.</p>	<p>The positive impact of visitor spending on sporting events is substantial. The Economic Development Strategy will also consider similar impacts that can be generated from the performing arts, museums, and festivals.</p>	<p>This can be accomplished through OED working with the Mayor's Office and City Council liaisons to assist the San Jose Sports Authority in crafting a strategy, which will become a major element of the city-wide Economic Development Strategy.</p>	<p>Further analysis of potential costs will be completed as part of the ED Strategy. These tasks may be best accomplished by a single staff member working with the Sports Authority and City departments. Specific projects may require resources as well.</p>	<p>Ongoing efforts are already proceeding in this area, and the ED Strategy will address changes to strengthen those efforts, so quick implementation is anticipated.</p>	<p>No impact.</p>
<p>Mayor's Recommendation Memo, III-1</p> <p>Speak with "one voice" on economic development to deliver a consistent and clear message to the business community.</p>	<p>A unified voice will be more effective in attracting business to San Jose.</p>	<p>It is within the Council's authority to make the recommended changes, but there are a number of organizational, legal, and employee ramifications which should be considered as part of the range of options.</p>	<p>Cost implications would likely be minimal, depending on how changes are structured.</p>	<p>The issues mentioned under Practicality would drive the speed with which the recommendations could be implemented.</p>	<p>No impact.</p>

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Councilmember LeZotte	RESPONSES				
Follow-up Memo (9-17), 1 Other than the unemployment rate, how can we measure our success?	In addition to unemployment rate, the Mayor's memo also suggests a goal of reducing the vacancy rate for office/R&D space by 1%. Staff will investigate further measures that could be used to gauge success. Some possibilities include measuring the total number of jobs and the occupancy rate of industrial space.				
Follow-up Memo (9-17), 2 What are some criteria for separating which projects need Council direction and which projects should be approved by staff or the Planning Commission?	Such criteria should focus on the duties that each of these bodies exist to perform. Since staff's role is to implement the policy and rules established by the City Council, development permits of all types should be approved by the Director. Policy and legislative decisions, such as General Plan and zoning issues, should be approved by the City Council. Zoning decisions do not however need to include a review of specific designs, unit types, parking ratios, or landscaping. The density range, setbacks, heights and parking standards at a general level should be established through the GP and Zoning approvals. The Planning Commission hears appeals of the Director's decisions, ensuring that a decision does not rest solely with one person if there is a controversy.				
Follow-up Memo (9-17), 3 Would zoning districts such as the "Downtown" zone, coming to Council in 4-6 weeks be a more expedient alternative to our current zoning process?	The proposed modification of the Downtown zoning districts and the rezoning of property in the Core should facilitate development by allowing it to proceed without a Planned Development zoning. Planning permits would still be required and the public would still be involved in the development process, including participation at public hearings.				
Follow-up Memo (9-17), 4 Rather than creating a penalty for missing a deadline, what are some cost recovery methods for higher levels of service?	As described in the analysis of the Mayor's Memo Recommendation I-4, premium service options at a higher fee have already been implemented at the request of the development community. The higher fee pays for overtime for staff to meet the quicker turnaround times. Since the applicant is paying a premium for speed in choosing a premium service option, it makes sense for the City to offer refunds to those who purchase this higher service level when the faster turn around targets are not met. Refunding the fee increment charged for faster service would encourage accountability toward processing time commitments without risking the degradation of service that would accompany refunds or reductions in fees that support the base service level (as described above).				
Follow-up Memo (9-17), 5 Analyze the creation of "Strike teams" (staff from PBCE & OED) as a cost effective strategy to speed up the development process and provide the consistent direction that is currently lacking in our system?	Such strike teams are being used now to respond to key opportunities such as eBay and BEA. This concept could be incorporated into the One-Start Center, which was already approved by Council as part of the Mayor's memo.				

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Follow-up Memo (9-17), 6 What are the potential impacts of the Mayor's recommendation to reduce the Construction Excise Tax? Could this be done in an area such as Edenvale or Coyote first as a pilot program? Will it create an incentive to build? How would we make up the loss of Transportation infrastructure revenue?	See analysis of Mayor's Recommendation I-5 (B) above. A pilot program could be based on a number of factors. The geographical basis suggested here is feasible, as are the time (18-month limit) or industry type (driving industry) bases that are proposed in the Mayor's memo. The response to the Mayor's memo describes the probable revenue and project effects of this action. As for making up the revenue loss, the intent of the proposal appears to be to spur activity that would have occurred later or not at all. If these revenues are to be collected in other ways from the same industries, those beneficial effects could be lost. Similarly, if the revenue burden were to shift to other sectors, that could have negative economic effects. However, the staff report described under I-5 (B) could present various options to Council regarding the loss of this revenue, from project reductions to examining other revenue sources.				
Follow-up Memo (9-17), 7 How can we expedite the Historic review, while maintaining public input and providing incentives for preservation?	See analysis of Mayor's Memo Recommendation II-2.				
Follow-up Memo (9-17), 8 What Sports teams should we seek to bring to San Jose and what are we doing to retain the ones we have?	San Jose should pursue sports team and athletic event development that is consistent with the City's position as the 11th largest city in the country and third largest on the West Coast, and with its role as the largest city in the world's foremost technology region. Existing teams and facilities should be evaluated against that standard and efforts to add teams or events should be pursued in cases where those assets would be seen as improvements for them.				
Follow-up Memo (9-17), 9 How would staff explain what is allowed by right under the zoning code?	The Zoning Code currently contains conventional districts with their respective use allowances depicted in tabular format, including uses allowed by right. As additional districts are created, those use allowances would need to be clearly articulated as well as development and performance standards (e.g., height, setbacks, etc.).				
Follow-up Memo (9-17), 10 Analyze tying the increased FAR on North First to a housing requirement to further the principles of Smart Growth.	Staff intends to analyze the appropriate siting of any new housing relative to increases in FAR in the North First Street corridor. Other support uses would also be considered to ensure viable work environments as well as livable mixed use/residential areas. From an economic development perspective, a housing requirement might discourage desired development along this transit corridor.				

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	Impact	Practicality	Cost	Urgency	Public Process
Councilmember Williams	RESPONSES				
Follow-up Memo (9-17) Mayor's Memo Criteria (Measuring Success) Measuring Our Success: add the following metrics: number of applications processed time to process applications	These measures can be added to the two included in the Mayor's Memo. Staff will analyze which types of applications should be measured to provide the most meaningful, useful, and sustainable data.				
Follow-up Memo (9-17) Mayor's Memo Criteria (Measuring Success) Enhance the "Decrease vacancy in office/R&D space by 1%" metric to reflect that the space is being occupied by job-producing tenants.	This could be accomplished by using an approach similar to that used in the Special Tenant Improvement Program, which asks applicants for a promise of job creation. More detailed analysis of jobs actually produced in connection with the development is possible, but would be more costly and add administrative requirements for businesses occupying the space.				
Follow-up Memo (9-17) Mayor's Memo, I-1 (Moratorium on new regs.) Identify the class of regulations that are causing the delays	All regulations can create delays, as they require time for the applicant to comply. Major regulatory hurdles in the development process include State Law on CEQA, public noticing, and appeals of decisions. An example of a City policy that creates delays, but serves a valuable purpose, is the Public Outreach Policy. Complying with CEQA requires the City to conduct adequate analysis to support determinations of environmental impacts from permit approvals. City rules related to this include Level of Service analysis, specifically riparian analysis. Another issue that causes delay is noise complaints, regarding active recreation or road noise levels, registered long after project completion.				
Follow-up Memo (9-17) Mayor's Memo, I-1 (Moratorium on new regs.) Provide examples of added costs	Costs for technical analysis normally range from \$5,000 to \$25,000. Delays of projects from one hearing date to another have a per day cost in terms of carrying costs for the developer.				
Follow-up Memo (9-17) Mayor's Memo, I-1 (Moratorium on new regs.) Suggest solution without a moratorium.	One alternative would be to establish a system in which new regulations could be considered only after a thorough economic impact analysis, examining the potential impacts on businesses, residents, and other stakeholders. The analysis could include a description of trade-offs between supporting business and protecting neighborhoods or other potentially conflicting objectives. Adequate outreach to all potential stakeholders as part of the analysis should surface any additional issues and encourage participation at public hearings. It is possible that such a system would allow new regulations that could reduce costs and delays.				

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Follow-up Memo (9-17) Mayor's Memo, I-3 (Conforming Permits) Determine the delays in the permitting process.	The Planning, Building & Code Enforcement Department has a review underway of projects that have exceeded the processing target cycle-times to determine the reasons the applications had not been decided. Specific analysis will examine the stage at which the project stopped, how complete the application submittal was, and other reasons for delay.				
Follow-up Memo (9-17) Mayor's Memo, I-3 (Conforming Permits) Determine delay contributed by the City Council.	Delays which can be attributed to the City Council include delays between hearings on the City Council, Planning Commission, and Planning Director's agendas. Timelines showing the differences in the different phases of the development process are being developed to allow easier comparison of options for development review changes. Delays also result when individual items are deferred after the CEQA process and a staff report have been completed.				
Follow-up Memo (9-17) Mayor's Memo, I-3 (Conforming Permits) Determine the costs added to the projects by the Council actions.	Delays of projects from one hearing date to another have a per day cost in terms of carrying costs for the developer. Staff is attempting to quantify this carrying cost for consideration by the City Council.				
Follow-up Memo (9-17) Mayor's Memo, I-3 (Conforming Permits) Suggested alternatives to achieve the same results as I-3	Staff respectfully requests more time to analyze potential alternative approaches to the Mayor's recommendation.				
Follow-up Memo (9-17) Mayor's Memo, I-5B (Construction Excise Tax) Enhance to require job production.	As mentioned above in the response to the suggestion regarding the metric related to office space occupancy rates, such an enhancement could be done on the basis of a promise of job creation, which would be a reasonable expectation based on the capital investment required of driving industry companies to qualify for this benefit. A more detailed analysis of jobs actually produced would involve some waiting period to determine whether jobs had actually been produced, and an administrative effort by the City and the companies to compile information based on whatever criteria are set.				
Follow-up Memo (9-17) Mayor's Memo, I-5B (Construction Excise Tax) Enhance to show quality and longevity of jobs.	The administrative costs and processes necessary to analyze the quality and longevity of jobs produced by qualifying projects are likely to be substantial. To the extent that any such data tracking and justification would be imposed on the companies receiving this benefit, it could be seen as additional red tape and discourage the companies from investing in San Jose.				

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Source/Issue	CRITERIA				
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Councilmember Chavez	RESPONSES				
Follow-up Memo (9-17) Develop design guidelines for Downtown Core.	Increases the speed and predictability of the development process for downtown projects. Speed and predictability foster business development, growth, etc.	This is within the City's authority, work could build on existing Downtown Historic Guidelines. Additional amendments may be necessary.	No direct cost to City.	Requires dedicated staff time, and would probably require fairly extensive public involvement.	No change to level of public process necessary now, unless guidelines dictated changes. The existing guidelines were developed as part of the Downtown Strategy.
Follow-up Memo (9-17) Develop design guidelines for Downtown Core/Examine the role of Floor Area Ratio to set clear expectations for building density.	The proposed Downtown Zoning includes new standards for Floor Area Ratio (FAR) and heights to encourage higher density mixed use projects with less City involvement. The recently considered adaptive reuse guidelines for historic structures also provide guidance to project designers. Specific design guidelines for Downtown would be the last major policy document to implement the new Downtown zoning, and would provide guidance on streetscape, building forms, parking access, etc.				
Follow-up Memo (9-17) Amend existing specific plans to include/clarify implementation strategies.	Increases the speed and predictability of projects by creating clear expectations for development.	This is within the City's authority.	Significant costs would be incurred by developers to complete project level CEQA reviews (which would avoid individual zonings and environmental analysis), any EIR necessary, and infrastructure and phasing plans to allow apportionment of costs to individual properties so that delays could be minimized.	There are no barriers to implementation, unless Council directed staff to perform further analysis of the issues raised at left.	No impact.

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<p>Follow-up Memo (9-17)</p> <p>Create criteria and amendments to the RM Zoning and associated Design Guidelines to allow certain levels of Medium-Low, Medium, and Medium-High Residential Guidelines through Site Development Permits.</p>	Increases the speed and predictability of projects by creating criteria under which RM zoning can be used in conjunction with design guidelines.	This is within the City's authority.	No direct costs associated with this recommendation.	Work has already begun on changes to allow greater use of RM zoning. The Residential Design Guidelines cover most developments approved now under PD zoning, and are applicable to RM zoning as well. Additional guidelines are being prepared to address Transit-Oriented Development to give greater certainty to the community and developers.	No impact.
<p>Follow-up Memo (9-17)</p> <p>Develop criteria under which concurrent processing of the PD Permit and PD Zonings should occur.</p>	Increases the speed of projects by removing the current two-step process.	This is within the City's authority.	No direct costs associated with this recommendation. Developers may need to make a larger up-front investment in design documents to satisfy requirements of a PD permit with more complicated projects.	Concurrent processing may be appropriate for projects that are small and require minimal additional review, such as single family home developments. Council may wish to consider having staff do additional review of appropriate project types.	No impact.

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Follow-up Memo (9-17) Create methods to accelerate the environmental review of projects required by CEQA.	Increases the speed of projects.	This is within the City's authority, as long as methods comply with the provisions of CEQA.	No direct costs associated with this recommendation.	Staff has already examined potential ideas (adopting CEQA thresholds, master EIR's to broadly address impacts, pre-approved mitigation for environmental impacts, etc.)	No impact; however, any plan to expedite the CEQA review process will incorporate a Public Process component.
Follow-up Memo (9-17) Reinstate the Construction Excise Tax exemption for projects within the Core and the Frame areas for 18 months.	See analysis of Mayor's Memo Recommendation I-5 (B). These effects would be applied to projects within the Core and Frame areas, in addition to the driving industry projects eligible under the Mayor's recommendation.				
Follow-up Memo (9-17) One-Stop for Small Businesses	This would likely provide small businesses with assistance with a number of City processes, information about contracting opportunities with the City, and mentoring to businesses interested in becoming a City vendor. This assistance would be likely to produce jobs and economic benefits.	Such a facility has already been incorporated into the first floor design of the new Civic Center. An interim one-stop center could also be included in the design of the proposed One-Start Center at the existing City Hall.	Existing staff could be deployed for this purpose, but there may be relatively negligible costs incurred for remodeling (i.e., phone, computers, etc.). A full analysis can be completed within two weeks. Such a plan would require an exemption from the Council-approved prohibition of space remodeling as part of the Mayor's Budget Strategy.	Based on the GFB2W Study Sessions, this was identified as an item that would have significant and quick benefits. Limited services could be provided within City Hall in relatively short order, and services could then be expanded over time as the transition to the permanent Center in the new Civic Center proceeds.	No impact.

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Follow-up Memo (9-17) Mayor's Memo III-2 (University Relationships) Examine partnership opportunities with SJSU around South Campus as Amateur Sports Complex	An Amateur Sports Complex would have economic benefits in terms of visitor spending and creation of jobs in both the construction and operation phases.	OED is currently working with Logitech, the San Jose Giants, and SJSU on facility expansion and parking issues, and this work could be expanded to address this proposal. Any final project would likely require funding participation by SJSU and the CSU system, so the City does not have sole authority.	Initial staff work to examine opportunities can be accomplished within existing resources. If these discussions resulted in a facility proposal, that would have to be evaluated on its merits and any cost implications would be evaluated at that time.	OED and PRNS staff are actively meeting with University staff regarding these issues. If a complex were proposed involving State funding, ultimate approval would be necessary from the State, which could produce delays.	The recommendation to examine partnership opportunities has no impact. If those discussions were to result in a facility project proposal, public concerns about noise, parking, and traffic could be anticipated. The proposal would not affect the City's normal processes to gather such public input.
Follow-up Memo (9-17) Mayor's Memo III-2 (University Relationships) Examine partnership opportunities with SJSU around Shared Academic/Economic Space	Shared space could produce job growth by connecting academic programs more closely with businesses and economic development activities.	There are no barriers to proceeding with the recommended discussions. The City would not have full authority to implement any such projects, since SJSU would be in the lead role in terms of identifying facilities which could be used for such efforts.	Initial staff work to examine opportunities can be accomplished within existing resources. If these discussions resulted in a facility proposal, that would have to be evaluated on its merits and any cost implications would be evaluated at that time.	Discussions of partnership opportunities have begun. Again, because of the uncertainty involving SJSU and State involvement, particularly in funding decisions, it is possible that a project proposal resulting from those discussions could be delayed.	The recommendation to examine partnership opportunities has no impact. Any resulting facility recommendations might generate some public interest.

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	Impact	Practicality	Cost	Urgency	Public Process
Councilmember Campos	RESPONSES				
Follow-up Memo (9-17), 1 Mayor's Memo, I-1 (Moratorium on new regs.) Review the current regulations that the business community thinks are barriers to doing business efficiently and determine if they should be removed on a temporary basis.	Staff from the Economic & Neighborhood Development CSA has been working with the development and business community to identify current regulations that should be considered for modification or elimination. Analysis of the impact of such action will include stimulation of business activity, balanced against any potential negative impacts in terms of quality of life or environmental quality. Recommendations will be brought forward to the City Council within 60 days.				
Follow-up Memo (9-17), 2 Mayor's Memo, I-3 (Conforming Permits) Staff report comparing current approval process with the proposed process, including a description of any public processes that would be removed during the duration of the proposal.	See analysis of Mayor's Memo Recommendation I-3.				

GETTING FAMILIES BACK TO WORK
ANALYSIS OF RECOMMENDATIONS & QUESTIONS

Source/Issue	CRITERIA				
	Impact	Practicality	Cost	Urgency	Public Process
Councilmember Gregory	RESPONSES				
Follow-up Memo (9-17) Recommend the creation of a City/Business/Higher Ed Collaborative, a formal group of experts with two of its goals being to define San Jose's identity and develop strategies for marketing San Jose to all leading industries.	This proposal would have positive economic impacts in terms of improving the City's efforts to market itself as a business and visitor destination.	Council should consider whether its adoption of recommendations I9(1)C and I9(1)D from the Mayor's memo satisfies the goals of this proposal. The recommendations create "an aggressive economic outreach and advocacy campaign" using resources from OED, SJRA, and the Manager's Office; and establish a Mayor's Economic Cabinet to focus on helping improve the City in the areas of job attraction, ease of doing business, and quality of life for businesses' employees.	No direct cost to City to create either the body recommended in this proposal or the Mayor's Economic Cabinet. Resulting recommendations regarding strategies would likely include costs, which would have to be evaluated against current resource levels to determine whether they require additional expenditures.	Creating a Collaborative could be accomplished relatively quickly. The Collaborative would then need to proceed with its work expeditiously to ensure that a sense of urgency is preserved. If the Collaborative were to be established in addition to the Mayor's Economic Cabinet, some coordination between the two groups might be necessary, which could delay initiatives proposed by either group.	No impact, unless there were to be public interest in participating in discussions of the Economic Cabinet or a Collaborative.
Follow-up Memo (9-17) Mayor's Memo, I-1 (Moratorium on new regs.) Recommend that staff review all current business regulations and bring back recommendations for eliminating, maintaining, or improving them. Recommendations should be reviewed by appropriate Council committee, then the full Council.	Staff from the Economic & Neighborhood Development CSA has been working with the development and business community to identify current regulations that should be considered for modification or elimination. Recommendations will be brought forward within 60 days. The Mayor and Council should determine the venue in which these recommendations are presented.				

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ANALYSIS OF RECOMMENDATIONS & QUESTIONS

Source/Issue	CRITERIA				
	Impact	Practicality	Cost	Urgency	Public Process
<p>Follow-up Memo (9-17) Mayor's Memo, I-3 (Conforming Permits)</p> <p>Recommend that staff review current permitting and zoning processes and bring back recommendations that eliminate redundancies and inefficiencies while maintaining appropriate public comment and Council approval processes.</p>	<p>Work has begun on changes to the RM zoning district to allow greater use of this multi-family zoning district as a replacement to PD zonings. The Residential Design Guidelines cover most developments approved today with the PD zoning and would be equally applicable in the use of the RM zoning district. Additional guidelines are being prepared to address Transit Oriented Development (TOD) which will give greater certainty to the community and developers. Combined processing of GP amendments and PD zonings should always occur. Flow charts are being studied for their use in documenting the changes proposed to the development process. Any change would be based on not eliminating public participation, but rather building it in a formal way up front so that there is certainty to the community and the developer. This process would also formalize the responsibilities of the community to participate in the development review process.</p>				
<p>Follow-up Memo (9-17) Mayor's Memo, I-6B (One-start Center)</p> <p>Recommend immediate launch of a pilot version of the One-start Center to prove and debug this concept prior to implementing its best practices across the entire organization.</p>	<p>A pilot could be launched, establishing a preliminary review development team composed of staff from OED, PBCE, the Redevelopment Agency, Public Works, and Fire. This team would meet with clients to determine the feasibility of projects in terms of development costs, allowable uses, Building and Fire code requirements, and available economic incentive packages. The team could be established preliminarily on the ground floor of City Hall at an estimated cost of less than \$50,000 by collaborating with the Call Center. Remodeling could be accomplished during the holiday closure. This would also offer an opportunity to refine data sharing workflow with the County and other agencies and to test some of the applications planned for the new Civic Center customer service center (at an additional cost). Staff is also in the process of modifying the current Business Tax Ordinance to streamline processes and provide the Finance Director with the ability waive penalties and interest charged, under certain circumstances.</p>				

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ANALYSIS OF RECOMMENDATIONS & QUESTIONS

Source/Issue	CRITERIA				
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Follow-up Memo (9-17) Mayor's Memo, II-1 (Business Sign Regs.) Recommend that we adhere to the recent Council-approved sign ordinance and review it for additional efficiencies.	The Driving a Strong Economy Committee in October will discuss signage regulations related to high rises. Staff is also reviewing signage regulations for large retail centers for detached signage similar to recently approved sign changes affecting car dealers on Capitol Expressway Auto Row.				
Follow-up Memo (9-17) Mayor's Memo, III-2 (University Relationships) Recommend that this item become part of the work plan of the new City/Business/Higher Ed Collaborative recommended above.	This recommendation would depend on the Council's resolution of the issue raised above regarding whether the Mayor's Economic Cabinet could accomplish the goals of the recommendation to create a City/Business/High Ed Collaborative.				

GETTING FAMILIES BACK TO WORK
ANALYSIS OF RECOMMENDATIONS & QUESTIONS

Source/Issue	CRITERIA				
	Impact	Practicality	Cost	Urgency	Public Process
Councilmember Cortese	RESPONSES				
Follow-up Memo (9-17), 1A	This could produce positive impacts by developing a common regional message and encourage pooling of resources. The focus should be on global competition for driving industry jobs more so than local competition.	Because of its nature, the proposal is not entirely within the City's authority, although the City would presumably have a strong influence on encouraging other cities to participate.	No direct costs are anticipated as a result of this recommendation.	Coordination with other cities to reach agreement on a collaborative strategy may take time.	No impact.
Establish a countywide agreement between cities pledging support for a collaborative strategy for job retention.					
Follow-up Memo (9-17), 1B	Issues in which the Council is acting as a "quasi-judicial" body are not required to come to Council. These include appeals of Conditional Use Permits and Planned Development Permits, as well as Single Family House Permits (and appeals of them). It appears that cancellation of Williamson Act Contracts (while not too frequent) also are not necessary for Council to hear.				
Identify all actions that currently come before the City Council which we are not legally required to hear at that level.					
Follow-up Memo (9-17), 2	See Attachment B of this report.				
Mayor's Memo, I-1 (Moratorium on new regs.)					
Provide a list of potential policies or ordinances whether they be pending, referrals, or speculative, provide comments regarding who decides positive or negative impacts.					
Follow-up Memo (9-17), 2	While the WIN Board is a separate body that has no obligation to abide by direction from the City, it has accepted the concept that its activities should be shaped by the to-be-adopted Economic Development Strategy and that its efforts should be integrated with those of OED. The Mayor's recommendation is embraced by the Board as one of its key goals - that job readiness activities should be focused on growth industries and opportunities not for jobs for which there will be little demand for or with short career ladders in Silicon Valley.				
Mayor's Memo, I-2 (Job Training)					
Is it within the City's jurisdiction to dictate direction of any sort to the WIA Board or Program?					

GETTING FAMILIES BACK TO WORK
ANALYSIS OF RECOMMENDATIONS & QUESTIONS

Source/Issue	CRITERIA				
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Follow-up Memo (9-17), 2 Mayor's Memo, I-3 (Conforming Permits) Clarify any and all legal implications with regard to State regulations, specifically the Cortese/Knox Act.	Pursuant to State law, certain items are required to be acted upon by the City Council. These items include purely legislative acts (such as general plan amendments, zonings and rezonings), appeals of certifications of Environmental Impact Reports, and reorganizations (including annexations) under the Cortese-Knox-Hertzberg Act of 2000. The City Council may choose to delegate permitting decisions (such as single family house permits, or appeals of conditional use permits or planned development permits).				
Follow-up Memo (9-17), 2 Mayor's Memo, I-11 (Suggestion Award Prog.) The concern is that specific employee classifications will have an unfair advantage for significant monetary rewards in respect to the examples as proposed by the Mayor.	See above response to Mayor's Memo Recommendation I-11. As mentioned in the response, any overhaul of this program would need to be coordinated with stakeholders, including employee labor groups through the Office of Employee Relations.				
Follow-up Memo (9-17), 2 Mayor's Memo, II-1 (Business Sign Regs.) Please provide alternatives to our current policy to enhance commercial signage visibility in an environmentally sound manner as recommended by staff.	The Driving a Strong Economy Committee in October will discuss signage regulations related to high rises. Staff is also reviewing signage regulations for large retail centers for detached signage similar to recently approved sign changes affecting car dealers on Capitol Expressway Auto Row.				
Follow-up Memo (9-17), 2 Mayor's Memo, II-3 (Sports Teams) Analyze work of San Jose Sports Authority on teams and events but also facilities and venues. Also provide input on City Manager or OED role in working with SJSA on using best practices from other cities.	These issues are addressed in the analysis of Mayor's Memo Recommendation II-3.				

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ANALYSIS OF RECOMMENDATIONS & QUESTIONS

Source/Issue	CRITERIA				
	Impact	Practicality	Cost	Urgency	Public Process
Councilmember Dando	RESPONSES				
Follow-up Memo (9-17), 1 Staff report back with a package of various cost, fee, and tax exemptions the City can offer to encourage high-rise housing production in the Downtown Core.	Staff respectfully requests more time to analyze potential elements of such a package.				
Follow-up Memo (9-17), 2a Mayor's Memo, I-8 (Local Preference Policy) Cut large city contracts into smaller contracts.	This recommendation would be expected to produce additional opportunities for small business to compete for City contracts. It may impact larger and more experienced contractors' interest in pursuing these smaller contracts.	This action is within the City's authority.	There would be no direct cost to implement this recommendation, but it could have effects on project administration and schedules.	This action would not be subject to any significant delays unless Council chose to direct staff to further analyze the issues raised in this analysis.	No impact.
Follow-up Memo (9-17), 2b Mayor's Memo, I-8 (Local Preference Policy) Provide incentives for prime contractors, consultants, or vendors to use local small businesses.	San Jose small businesses would benefit from this recommendation, in that they would be more competitive in seeking opportunities.	Various existing legal requirements limit Council's flexibility to act on this recommendation.	Cost increase will be minimal, but could be balanced against the benefit afforded to small businesses.	The legal issues mentioned at left could potentially delay implementation.	No impact.

Preliminary List of Regulations and Ordinances

Beneficial to Business – Recommendation to Proceed

- Special Tenant Improvement Program – Extend 18 months **HIGH PRIORITY**
- Industrial/Commercial Use Clarification – Extends reduction in construction taxes to future driving industry **HIGH PRIORITY**
- North San José Area Development Policy – Increase intensity around rail stations
- Citywide LOS Policy – Update to allow smart growth projects to proceed in strategic locations
- Smart Growth – Eliminate maximum density in multi-family residential zone
- Smart Growth – Create more allowances for residential/mixed use development in commercial zone(s)
- Conventional Zoning Districts – Modify existing zoning districts and create new districts as necessary to create greater flexibility and to be more “user friendly”
- PD Zoning – Adopt and apply conventional zoning districts in certain areas of the City to facilitate development and reduce reliance on PD Zoning
- City Council Public Outreach Policy – Proceed with this community-based update, involving the development industry as well
- Transit-Oriented Development Design Guidelines – Proceed with these Guidelines to increase predictability and certainty in the entitlement process
- Historic Permits – Eliminate requirement for public hearing for minor changes
- Permit Major Adjustment – Allow minor changes administratively, such as increase to square footage
- Standby Generators – Simply for only BAAQMD regulations to apply
- Noise Standards – Align requirements to be consistent with the General Plan
- Retaining Walls – Deregulate walls not visible in single family yards and that do not raise technical grading issues
- Lot Line Adjustments – Delegate approval authority to DPW staff
- Wireless Antennas – Allow slim design (slick stick) administratively
- Conservation Area Guidelines – Approve staff recommendation
- Tree Removal Permit – Allow administrative approval in certain circumstances
- Suspend requirement for Auto Body Shop Permits for an additional 12 months
- *Gas Station/Mini Marts (Authorized by Council to proceed on September 16th)*

Beneficial to Business/Significant Policy Issue – Hold in Abeyance

- Reasonable Accommodation – would streamline process

Detrimental to Business – Proceed due to public safety/state/federal

- Fire Safety During Construction – Minor increase in costs and time to projects
- Stormwater Regulations (C3) – required by Regional Water Quality Control Board
- Updates to Structural Standards in California Building Standards Code – required by State Building Standards Commission; minimal cost increase.

Detrimental to Business – Hold in Abeyance

- Beverage Service Ordinance
- Residential Parking Requirements (increase in parking requirement)